

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

USA MOBILE COMMUNICATIONS, INC.)	
AND CQ OF OHIO, INC.)	CASE NO. 10174

O R D E R

On February 24, 1988, USA Mobile Communications, Inc. ("USA"), and CQ of Ohio, Inc. ("CQ"), filed an application requesting that the Commission take notice of an impending acquisition of CQ by USA, or, alternatively, approve the proposed acquisition pursuant to KRS 278.020(4). On April 8, 1988, the joint applicants filed a motion to strike entirely the original application. The motion, which is hereby granted, contained a request that the Commission approve the proposed transfer. By Order issued May 10, 1988, granting a second motion of USA, the Commission acknowledged an additional amendment to the Joint Application. The proposed transferee is now USA Mobile Communications, Inc. ("USA II"), a sister corporation of USA. The change in identity reflects merely a pro forma corporate restructuring. USA II has been substituted as a Joint Applicant. A conforming amended application was filed on May 20, 1988.

CQ is an Ohio corporation providing one-way radio paging and two-way conventional mobile radio telephone service in and around northern Kentucky, including the counties of Kenton, Boone, Campbell, Gallatin, Oldham, Grant, and Pendleton, Kentucky.

USA II is a Delaware corporation authorized to do business in Kentucky. A certified copy of the Certificate of Incorporation of USA II was filed on May 13, 1988. A certified copy of the Articles of Incorporation of USA, the aforementioned sister corporation of USA II, has been filed in the record of Case Nos. 10025¹ and 10034² involving the transfer of other radio common carrier businesses to USA.

Pursuant to an asset purchase agreement,³ CQ desires to sell and USA II desires to purchase the business and assets of CQ identified therein.

USA, the sister corporation of USA II, has previously sought and been granted approval to purchase the assets of other radio paging and mobile communications providers within Kentucky. The managerial, financial, and technical fitness of USA has been examined and found to be adequate in such cases. The Commission has granted USA substantially the same relief as is requested by USA II in the current application with respect to the proposed acquisition of other radio common carriers.

¹ Joint Application of USA Mobile Communications, Inc., and Johnny L. Wills, d/b/a Kentucky Radio Service, Inc.

² The Joint Application of USA Mobile Communications, Inc. ("USA"), Multi-Page, Inc., Commonwealth Telecommunications, Inc., Radio Communications Corporation and Metro Telecommunications of Kentucky, Inc. (Collectively, the "Sellers"), to, Inter Alia, (1) Acquire and Transfer Ownership and Control of the Sellers by the Sale of Their Assets and Business to USA and (2) Transfer and Assign the Certificates of Convenience and Necessity Granted in Case Nos. 8692, 9418, 9837, 8619, 9242, 7090, and 8086.

³ Filed as an Exhibit to the original Joint Application.

The Commission finds that USA II possesses the requisite financial, managerial, and technical abilities to provide reasonable service as required by KRS 278.020(4).

IT IS THEREFORE ORDERED that:

1. The joint petition for confidentiality, regarding the Stock Purchase Agreement tendered with the Joint Application, filed in accordance with 807 KAR 5:001, Section 7, be and it hereby is granted.

2. The transfer of ownership and control of the utility assets of CQ to USA II be and it hereby is approved.

3. USA II shall be authorized to offer those utility services formerly provided by CQ pursuant to authority granted by this Commission.

4. Within 5 days subsequent to the transfer, CQ and USA II shall file a joint notice setting forth the date of transfer.

5. Within 30 days subsequent to the transfer, USA II shall file an adoption notice with the Commission adopting the tariffs, rules, and regulations of CQ, pursuant to 807 KAR 5:011, Section 11.

6. CQ shall file an annual report for that portion of 1988 in which it operated the system.

7. USA II shall file an annual report for that part of 1988 in which it operates the system.

Done at Frankfort, Kentucky, this 27th day of May, 1988.

PUBLIC SERVICE COMMISSION

Richard D. Kernen, Jr.
Chairman

Robert M. Davis
Vice Chairman

James N. Wilkeson
Commissioner

ATTEST:

Executive Director